



# Fiscal Year 2004 Annual Report

U.S. ENVIRONMENTAL PROTECTION AGENCY



ENVIRONMENTAL AND FINANCIAL PROGRESS



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

OFFICE OF THE  
ADMINISTRATOR

November 15, 2004

The President  
The White House  
Washington, DC 20500

Dear Mr. President:

I am pleased to present the Environmental Protection Agency's (EPA) Fiscal Year 2004 *Annual Report*, which highlights EPA's programmatic and financial performance over the past fiscal year. This document fulfills requirements set by the Government Performance and Results Act and other management legislation.

EPA made significant progress toward each of the five long-term goals for protecting human health and the environment that we established in our 2003-2008 *Strategic Plan*. EPA is increasing the pace of environmental improvement while keeping the nation economically competitive by focusing on results, expanding collaborative partnerships, improving technology, and strengthening market incentives.

This report evidences EPA's commitment to be accountable for results measured against the annual performance goals presented in EPA's FY 2004 *Annual Plan*. Due to the November 15 reporting date, final end-of-year performance data for several key programs are not available for publication in this report, but will be provided in future reports.

You have my personal assurance that the performance and financial data included in this report are complete and reliable, comporting with guidance provided by the Office of Management and Budget. Detailed information on data quality is included in Appendix B of the report. We are proud of the accomplishments that we and our state, tribal, local, and federal government partners have achieved, and we intend to build on these results to fulfill our responsibility for protecting human health and the environment.

Sincerely,

Michael O. Leavitt

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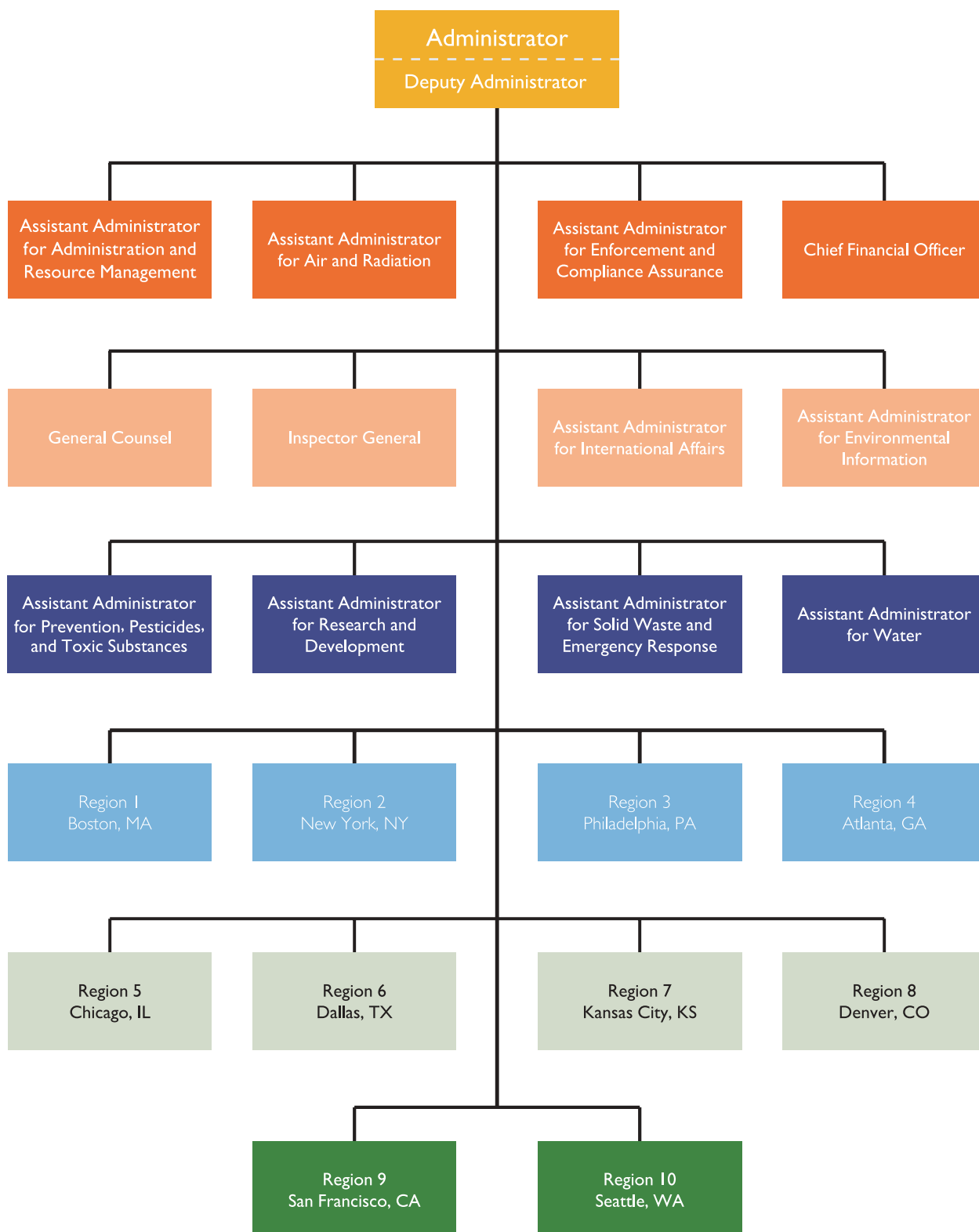
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# Mission Statement and Organizational Chart

## U.S. Environmental Protection Agency

The mission of the Environmental Protection Agency is to protect human health and the environment.





## Message from the Administrator

In the three decades since the Environmental Protection Agency was created, our nation has made unprecedented progress in protecting human health and the environment. We have cut air pollution in half, cleaned up lakes and streams, installed drinking water and sewer systems, and begun to heal the land from years of abuse. Each generation of Americans builds upon the environmental accomplishments of its predecessors. In our generational relay for environmental improvement, we aspire not just to run our leg but to pick up the pace.



As this *FY 2004 Annual Report* demonstrates, our efforts to accelerate progress have achieved many impressive and important environmental results. I commend the EPA's dedicated staff for its hard work to improve and protect the environment. By fostering collaboration, harnessing new technology, creating market incentives, and measuring the results of our efforts, we are implementing new approaches to accomplish our environmental goals while remaining economically competitive.

Our nation has developed considerable environmental maturity in the last 30 years. However, many challenges remain. We will meet these challenges with a commitment to new thinking and better approaches—an EPA that is collaborative, innovative, information-rich, and performance-based. Together, we will use these approaches to build upon the successes of the past year and increase the rate of environmental progress.

A handwritten signature in black ink that reads "Michael O. Leavitt". The signature is stylized, with a large, flowing "M" and a distinctive ending stroke.

Michael O. Leavitt  
Administrator

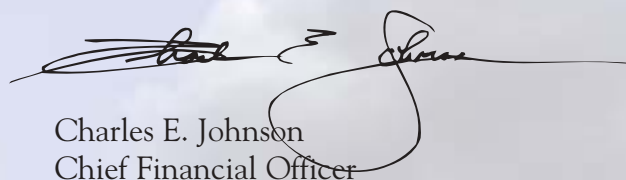
## Message from the Chief Financial Officer

As Chief Financial Officer of the Environmental Protection Agency, I recognize that our Agency must be accountable to our ultimate stakeholders—the American Public. We are obligated to use our resources not only to protect the environment for our citizens today, but also to assure that generations to come will have a better life. We do this by promoting the President's Management Agenda and making EPA part of a government that is citizen-centered, results-oriented, and market-based.

Our Agency's work revolves around five environmental goals. In the pages that follow, we report to you what we planned to accomplish during this past fiscal year, what we have achieved, and what we have ahead of us.

The final section of the report contains our audited financial statements. EPA received the 2003 President's Quality Award for significant improvement in financial performance, and our record remains strong for 2004, with timely financial statements and a clean audit opinion. Every year, EPA is better able to link its performance results and financial information.

I thank our partners—state and local governments, tribes, businesses and other federal agencies—as well as EPA's nearly 18,000 employees for making fiscal year 2004 a successful year.



Charles E. Johnson  
Chief Financial Officer